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Josefina Fernandez McEvoy (Cal. Bar No. 147138)
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Claire Shin (Cal. Bar No. 249492)

Proposed General Reorganization Attorneys for Ahava of California, LLC, Debtor and Debtorin-Possession

## UNITED STATES DISTRICT COURT NEW YORK SOUTHERN DISTRICT

SIGNATURE BANK, et al.

Plaintiffs,

v.

AHAVA OF CALIFORNIA,

Defendants.

Case No. 1:08cv3893

Chapter 11

#### NOTICE OF COMMENCEMENT OF CHAPTER 11 CASE AND STAY OF LITIGATION

Assigned to Hon. Naomi Reice Buchwald

Assigned to Magistrate Judge Michael H. Dolinger

[Hearing to be set if necessary pursuant to Local Bankruptcy Rule 2014-1]

#### **COMMENCEMENT OF CASE**

On July 15, 2008, the above-captioned debtor and debtor-in-possession (the "Debtor") filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") in the United States Bankruptcy Court for the Central District of California, Los Angeles Division, and an order for relief has been entered. A true and correct copy of the voluntary bankruptcy petition is attached as Exhibit "1" hereto. The Debtor, and its address, case number and federal tax identification number are as follows:

In re Ahava of California, LLC dba Ahava National Food Distributor and North Country Manufacturing, at 908 Rose Avenue, Los Angeles, CA 90291; Chapter 11 case number: 08-20524; federal tax identification number: 94-4846136.

#### **PURPOSE OF CHAPTER 11 FILING:**

Chapter 11 of the Bankruptcy Code permits the Debtor to reorganize pursuant to a plan. Creditors will be given notice concerning any plan of reorganization. The Debtor will remain in possession of its property and will continue to operate its business.

#### CREDITORS AND INTERESTED PARTIES MAY NOT TAKE CERTAIN

ACTIONS: A creditor is anyone to whom the Debtor owes money or property. Under the Bankruptcy Code, the Debtor is granted certain protections against creditors. Common examples of prohibited actions by creditors are contacting the Debtor to demand repayment, taking action against the Debtor to collect money owed, seizing or holding property of the Debtor, and starting or continuing any legal actions to obtain possession of or control over property of the Debtor or the bankruptcy estate. If unauthorized actions are taken by a creditor against the Debtor, the court may penalize that creditor.

#### **FURTHER INFORMATION:**

Further information concerning this chapter 11 case can be obtained by contacting the undersigned.

Dated: New York, New York July 17, 2008

**K&L GATES LLP** 

By: /s/ Kristin S. Elliott
Kristin S. Elliott
599 Lexington Avenue
New York, NY 10022
(212) 536-3900

-and-

10100 Santa Monica Boulevard Seventh Floor Los Angeles, California 90067 (310) 552-5000 Josefina Fernandez McEvoy (Cal. Bar No. 147138) Michael J. Heyman (Cal. Bar No. 218147) Claire Shin (Cal. Bar No. 249492)

Proposed General Reorganization Attorneys for Debtor and Debtor-in-Possession

# Exhibit 1

Form B1 (Official Form 1) - (Rev. 1/08)		Form B1 (Official Form 1) - (Rev. 1/08)			USBC, Ce	ntral District of California
UNITED STATES CENTRAL DIST	BANKRUPTCY CO	RNIA		1	·	ary Petition
Name of Debtor (if individual, enter Last, First, MIddle		Name of	Joint Debtor (Spouse	e) (Last, First,	Middle):	
Ahava of California, LLC, a California limited liability company  All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):  Ahava National Food Distributor  North Country Manufacturing		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):				
Last four digits of Soc. Sec. or Individual-Taxpayer I. No./Complete EIN (if more than one, state all)	.D. (ITIN)	Last four No./Comp	digits of Soc. Sec. o plete EIN (if more tha	r Individual-Ta an one, state	axpayer I.E ail)	D. (ITIN)
94-4846136 Street Address of Debtor (No. & Street, City, and State): 908 Rose Ave.		Street Address of Joint Debtor (No. & Street, City, and State):				
Venice, CA	CODE 90291	ZIP CODE				
County of Residence or of the Principal Place of Bus		County of Residence or of the Principal Place of Business:				
Los Angeles  Mailing Address of Debtor (if different from street add Same as above		Mailing A	ddress of Joint Debt	or (if different	from stree	et address):
710	CODE					ZIP CODE
Location of Principal Assets of Business Debtor (if d	ifferent from street addre	ess above	):			
2870 Lugo St 110 Beard St.	7705 State Route 12		In Street	236 Richard		·
Los Angeles, CA 90023 Brooklyn, NY 11231	Lowville, NY 13367	Odger	nsburg, NY 13369	Brooklyn, N	IY 11218 	
	·					IP CODE 11231
Type of Debtor (Form of Organization) (Check one box.)	Nature of Business (Check one box.) lealth Care Business		Chapte the i	r of Bankrupt Petition is Filed	tcy Code ( (Check one	Under Which box)
Individual (includes Joint Deptors)	realth Care Business Single Asset Real Estate	as	Chapter 7 X	Chapter 11	Chap	ter 15 Petition for Recognition
See Exhibit U on page 2 of this form	lefined in 11 U.S.C. § 10			Chapter 12	of a F	oreign Main Proceeding
	Railroad Stockbroker	<u> </u>  -	Chapter 9			ter 15 Petition for Recognition
	Commodity Broker	L		Chapter 13		oreign Nonmain Proceeding
above entitles, theta this box and the	Clearing Bank	r	Na Debts are primari	ature of Debt		Debts are primarily business
state type of entity below)	Other Kosher Mnfgr. & D	Dist.	defined in 11 U.S "incurred by an in	.C. § 101(8) as dividual primaril	у	debts.
(Chec	Tax-Exempt Entity ck one box, if applicable)	F	for a personal, far		11 Debto	*
l Tun	ebtor is a tax-exempt organiz der Title 26 of the United Sta ode (the Internal Revenue Co	ates				1 in 11 U.S.C. § 101(51D).
Filing Fee (Check one b			Check if:			ned in 11 U.S.C. § 101(51D).
x Full Filing Fee attached		[0.	Debtor's aggreg	ate nonconting	ent liquida	ted debts (excluding debts
Filing Fee to be paid in installments (Applicable  Must attach signed application for the court's	s consideration certifying	1:	owed to insiders to Check ail applicable be			
that the debtor is unable to pay fee except in installments. Rule 1008(b).						
See Unical Ports Av.  See Unical Ports Av.  See Unical Ports Av.  See Unical Ports Av.  Acceptances of the plan were solicited prepetition from one or more classes.						
signed application for the court's consideration  Statistical/Administrative information	n. See Umdai Form 38.		or Greators, itt ac	TTIO! 1		
Debtor estimates that funds will be available for distr     Debtor estimates that after any exempt property	ribution to unsecured credito is excluded and administra	ors. Itive expens	es paid, there will be	no funds availa	able	THIS SPACE FOR COURT USE ONLY
for distribution to unsecured creditors.						_
Estimated Number of Creditors	F 804 48 55 5	05 004	50,001- OVER		j	
1- 50- 100- 200- 1,000- 49 99 199 999 5,000		25,001- 50,000	50,001- OVER 100,000 100,000			
Estimated Assets				*500.000.004	More	
\$0 to \$50,001 to \$100,001 to \$500,001 \$1,0	000,001 \$10,000,001 510 million to \$50 million	\$50,000,00 to \$100 mil		\$500,000,001 to \$1 billion	More \$1 billion	•
	x					
	000,001 \$10,000,001 610 million to \$50 million	\$50,000,00 to \$100 mil		\$500,000,001 to \$1 billion	More than \$1 billion	
	x					

Form B1 (Official Form 1) (Rev. 1/08)		FORM B1, Page 2
Voluntary Petition (This page must be completed and filed in every case.)	Name of Debtor(s): Ahava of California, LLC, a California	a limited liability company
Prior Bankruptoy Case Flied Within Last 8	ears (if more than two, attach additional	sheet)
Location Where Filed: N/A	Case Number:	Date Filed.
Location Where Filed:	Case Number:	Date Filed:
Pending Bankruptcy Case Flied by any Spouse, Partner or A	Affiliate of this Debtor (If more than one,	attach additional sheet)
Name of Debtor:	Case Number:	Date Filed:
District:	Relationship:	Judge:
Exhibit A	(To be completed if debto	nibit B or is an individual whose debts consumer debts.)
(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)	informed the petitioner that [he or she]	in the foregoing petition, declare that I have may proceed under chapter 7, 11, 12, or 13 ave explained the relief available under each we delivered to the debtor the notice required
Exhibit A is attached and made a part of this petition.	X Signature of Attorney for Debt	or(s) Date
		11.14.B
Exhibit C  Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?	(To be completed by every individual d must complete and attach a separate i	hibit D lebtor. If a joint petition is filed, each spouse Exhibit D.) by the debtor is attached and made a part of
Yes, and Exhibit C is attached and made a part of this petition.	If this is a joint petition:	
X No	Exhibit D also completed and sign a part of this petition.	gned by the Joint debtor is attached and made
(Check any	ing the Debtor - Venue applicable box)	
Debtor has been domiciled or has had a residence, principal preceding the date of this petition or for a longer part of su	ich 180 days than in any other Distric	д.
There is a bankruptcy case concerning debtor's affillate, g	eneral partner, or partnership pendin	g in this District.
Debtor is a debtor in a foreign proceeding and has its princi no principal place of business or assets in the United State District, or the interests of the parties will be served in reg	pal place of business or principal asse es but is a defendant in an action or pr	ts in the United States in this District, or has roceeding [in a federal or state court] in this
Certification by a Debtor Who Res	nolicable boxes.	
Landlord has a judgment against the debtor for possession	n of debtor's residence. (If box check	ea, complete the following.)
(Name	e of landlord that obtained judgment)	
(Address  Debtor claims that under applicable nonbankruptcy law, the entire monetary default that gave rise to the judgment for	ess of landlord) here are circumstances under which t possession, after the judgment for po	he debtor would be permitted to cure the assession was entered, and
Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.		
Debtor certifies that he/she has served the Landlord with	this certification (11.U.S.C. § 362(1)).	

Form B1 (Official Form 1) (Rev. 1/08)	2008 USBC, Central District of Californ
Voluntary Petition (This page must be completed and filed in every case)	Name of Debtor(s): FORM B1, Page 3 Ahava of California, LLC, a California limited liability company
Si	ignatures
Signature(s) of Debtor(s) (individual/Joint)	Signature of a Foreign Representative
I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represent me and no bankruptcy petition preparer signs the petition] I have obtained and reat the notice required by 11 U.S.C. § 342(b).	I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign main proceeding, and that I am authorized to file this petition.  (Check only one box.)
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.	I request relief in accordance with chapter 15 of title 11, United States Code.  Certified copies of the documents required by 11 U.S.C. § 1515 are attached.
X Signature of Debtor	Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title  11 specified in this petition. A certified copy of the order granting recognition of the  foreign main proceeding is attached.
X Signature of Joint Debtor	
	X(Signature of Foreign Representative)
Telephone Number (If not represented by attorney)	(Printed Name of Foreign Representative)
Date	Date
Signature of Attorney  X Signature of Attorney for Debtor(s)  Josefina Fernanciez McEvoy Printed Name of Attorney for Debtor(s)  K&L GATES LLP Firm Name  10100 Santa Monica Boulevard  Address 7th Floor	Signature of Non-Attorney Bankruptcy Petition Preparer  I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. § 110(b), 110(h), and 342(b); and, (3) If rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.  Printed Name and title, if any, of Bankruptcy Petition Preparer
310.552.5088  Telephone Number  147138  Bar Number  Thin a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification	Social Security Number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)
that the attorney has no knowledge after an inquiry that the information in the inchedules is incorrect	·
Signature of Debtor (Corporation/Partnership)	Address
declare under penalty of perjury that the information provided in this petition is true	
and correct, and that I have been authorized to file this petition on behalf of the debtor.	X Date
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this polition.	Signature of bankruptcy petition preparer or officer, principal, responsible person, or
fort Banayay	partner whose Social Security number is provided above.
Signature of Authorized Individual  Fariborz Banayan, ake Aaron Banayan  Printed Name of Authorized Individual  President and CEO	Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.
Title of Authorized Individual 7 ( S / O 8	If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.
	A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

CM/ECF - U.S. Bankruptcy Court (v3.1 - LIVE) - NoticeOfFiling

Page 1 of 2

United States Bankruptcy Court Central District Of California

### **Notice of Bankruptcy Case Filing**

A bankruptcy case concerning the debtor(s) listed below was filed under Chapter 11 of the United States Bankruptcy Code, entered on 07/15/2008 at 12:27 PM and filed on 07/15/2008.

FILED Electronically 07/15/2008 12:27 PM

Ahava of California, LLC
908 Rose Avenue
Venice, CA 90291
Tax id: 94-4846136
dba
Ahava National Food Distributor
dba
North Country Manufacturing

The case was filed by the debtor's attorney:

Josefina F McEvoy 10100 Santa Monica Blvd 7th Fl Los Angeles, CA 90067 310-552-5000

The case was assigned case number 2:08-bk-20524.

In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Consult a lawyer to determine your rights in this case.

If you would like to view the bankruptcy petition and other documents filed by the debtor, they are available at our *Internet* home page www.cacb.uscourts.gov or at the Clerk's Office, 255 East Temple Street,, Los Angeles, CA 90012.

You may be a creditor of the debtor. If so, you will receive an additional notice from the court setting forth important deadlines.

Jon D. Ceretto Clerk, U.S. Bankruptcy Court

PACER Service Center	
Transaction Receipt	

	Case 1:08-cv-03893-NRB-MHD Document 57-2 Filed 07/17/2008 Page 6 of 7				
	Case 1:08-cv-03893-NRB-MHD Document 57-2 Filed 07/17/2008 Page 6 of 7				
1	DDOOF OF SEDVICE				
Ţ	PROOF OF SERVICE				
2	[SIGNATURE BANK v. AHAVA, et al.]				
3	STATE OF CALIFORNIA, COUNTY OF LOS ANGELES				
4	I am employed in the county of Los Angeles, State of California. I am over the age of 18 and				
5	not a party to the witnin action. My business address is 10100 Santa Monica Boulevard. Seventh				
6	On the date set forth below, I served the foregoing document(s) described as:				
7	NOTICE OF COMMENCEMENT VOLUNTARY CHAPTER 11 BANKRUPTCY CASE				
8					
9	on all interested parties in the action by placing a true copy thereof enclosed in a sealed envelope(s) addressed and sent out as follows:				
10	David T. Feuerstein U.S. Mail				
11	BOIES, SCHILLER & FLEXNER, LLP 401 E. Las Olas Blvd, Suite 1200				
	Ft. Lauderdale, FL 33446				
12	P: 212.592.5927				
13	F: 212.592.1500				
	John P. Oleske U.S. Mail				
14	NIXON, PEABODY, LLP 437 Madison Avenue				
15	New York, NY 10022				
	T: 212.940.3191				
16	Fax: 212.940.3111				
17	Mara Beth Levin U.S. Mail				
اه	Herrick, Feinstein, LLP				
18	2 Park Avenue New York, NY 10016				
10	T. 00 500 1400				

18 **19** | T: 212.592.1400

F: 212.592.1500 20

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14

15

Laurence C. Fox U.S. Mail

21 KORNSTEIN, VEISZ & WEXLER, LLP 757 Third Avenue 22 New York, NY 10017

T: 212.418.8600 23 F: 212.826.3640

Robert W. Hirsh U.S. Mail

ROBERT W. HIRSH & ASSOCIATES 25

8383 Wilshire Boulevard Suite 510

**26** Beverly Hills, CA 90211

T: 310.275.7800 27 F: 310.275.4050

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	Case 1:08-cv-03893-NRB-MHD Document 57-2 Filed 07/17/2008 Page 7 of 7
1 2	Lawrence C. Fox  KORNSTEIN VEISZ WEXLER & POLLARD, LLP
3	757 Third Avenue
4	NY, NY 10017 T: 212-418-8629
5	F: 212.826.3640
6	BY MAIL: I caused such envelope(s) to be deposited in the mail at Los Angeles, California with postage thereon fully prepaid to the office of the addressee(s) as indicated above. I am
7	"readily familiar" with this firm's practice of collection and processing correspondence for mailing. It is deposited with the U.S. Postal Service on that same day in the ordinary course
8	of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for
9	mailing in affidavit.
10	STATE: I declare under penalty of perjury under the laws of the State of California that the above is true and correct.
11	Executed on July, 2008 at Los Angeles, California
12	marily no Couraband
13	Marilyam Guichard
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